

Provision and insurance

On the topic

Many people have provision products or insurance. Most of the time, however, they do not have a precise overview of their products or do not know what they are good for. It is also noticeable that some people are over-insured or invest incorrectly. They close long-term products but run out of money if something unforeseen happens.

You rely too much on others (insurance brokers, bank employees, ...) and overlook the fact that they are paid in commissions for actual sales. The customer is therefore often not the focus of the sales pitch. And so the above facts are self-explanatory.

Framework data

Target group	<p>Adults</p> <ul style="list-style-type: none"> ● in the field of education, training and further education ● in measures of the labor market service ● in residential groups and social institutions ● in other courses etc.
Time frame	100 - 110 minutes
Requirements	Room with sufficient space for small group work. Technical equipment (beamer, laptop).

Learning goals

- Dealing with your own investment wishes
- Become aware of the "right way to save"
- Get to know pension products
- Deal with your own insurance
- Get to know which insurance covers which damage

Schedule - Overview

Methods Pool	pool Duration in minutes	Complexity	Page
<p>1. Lottery win Deal with your own wishes and ideas for financial provision</p>	15	Easy	3
<p>2. Theoretical input The 3 stages of saving Imparting background knowledge for the right saving and investing Set of slides "The 3 stages of saving"</p>	20	Medium	4
<p>3. Magic triangle of investing Implementing the information from the theoretical input</p> <p>Annex "Magic triangle of investing"</p>	35	Medium	5 6
<p>4. Insurance and insurance claims Dealing with your own insurance and getting to know which insurance helps when</p> <p>Annex "Insurance"</p> <p>Annex "Insurance claims"</p> <p>Solution "Insurance claims"</p>	40	Medium	8 9 10 12

1. Lottery

Setting	Pairs and plenum
Goal	Getting to know the group. Exchange of pension options
Material	Presentation cards and pens Flipchart
Duration	15 minutes
Further information	By collecting information on the flipchart, you get a first impression of which pension products are already known.

The participants form groups of 2. They exchange views on the following question:

"Suppose you have won 100,000 euros in the lottery! What would you do with it?"

Each group discusses the question and writes down the most important results (one result each on a moderation card).

The moderation cards are then presented with the results and collected on a flipchart.

The results are clustered according to the following topics:

- Expenditure/Purchases
- Provision
- Other

The results are then discussed and possibly rearranged.

2. The 3 stages of saving

Setting	Plenary session
Goal	Demonstrating a step-by-step plan for wealth accumulation Explaining the magic triangle of financial investment
Material	slides "The 3 stages of saving" Laptop and beamer
Duration	20 minutes
Further information	Many people make the wrong provisions for their future. They buy products with a long term, but have no savings reserves for short-term expenses. The theoretical input is intended to show that the near future should be thought of first. Only when possible expenses in the near future are secured can longer-term investments be made.

This theoretical input is about bringing the 3 stages of saving closer to the participants. The theory also explains the magic triangle of investing.

The participants should be able to draw conclusions about their own investment behavior from this.

The slides of the presentation are gone through step by step and discussed.

The presentation is followed by the exercise "Magic Triangle of Investment".

3. Magic triangle of investment

Setting	Group work – plenary session (debriefing)
Goal	Examine different investment options Becoming aware of the interrelationship of the individual factors of the magic triangle of investment
Material	Annex “Magic triangle of investment” Pens Flipcharts with the “Magic triangle of investment”
Duration	35 minutes
Further information	By positioning the individual investment options, the participants should become aware that every type of investment has advantages and disadvantages. It is not possible to achieve 100% of all 3 factors (security, yield, liquidity). Depending on personal attitude and the desired goal, everyone has to find the right type of system for themselves.

Small groups of 2 to 3 participants are formed. Each group is given a set of “Magic triangle of investment” cards and a flipchart on which the “Magic triangle of investment” is drawn.

The individual forms of investment are discussed together and an attempt is made to place them on the magic triangle.

After about 15 minutes, the participants return to the plenum and the results are discussed.

Possible questions

Which forms of investment do the groups agree on?

Which ones have different opinions?

Has anyone been attracted to a certain form of investment?

Annex "Magic Triangle of Investments"

<p style="text-align: center;">Life insurance</p> <p>A fixed amount is paid to an insurance company every month. The insurance company invests the money and is supposed to generate income from it. At the end of the term (20 years or more) you receive a one-time payment.</p>	<p style="text-align: center;">Annuity insurance</p> <p>Similar to life insurance. The term is usually even longer. (40 years or more). At the end of the term, you can choose between a one-time payment and a monthly additional pension.</p>
<p style="text-align: center;">Cryptocurrencies</p> <p>are digital assets that can also be used as a medium of exchange. Currently, cryptocurrencies are used almost exclusively as an asset to make quick money. They are subject to large fluctuations.</p>	<p style="text-align: center;">Stocks</p> <p>A stock is a stake in a company. You share in the profits of a company. It is traded on the stock exchange. High returns are possible. Performance cannot be predicted.</p>
<p style="text-align: center;">Bond</p> <p>is a security with which the issuer (usually a company) agrees to pay interest for the loan. The buyer gets his money back at face value plus the agreed interest.</p>	<p style="text-align: center;">Building savings contract</p> <p>is a savings product with a term of 6 years. The agreed savings amount can be paid once, annually or monthly. In addition to the interest, you get a government bonus.</p>
<p style="text-align: center;">Savings book</p> <p>With a savings book, I leave my money to a banking institution. I usually get interest on it. I can withdraw money from my savings book at any time.</p>	<p style="text-align: center;">Premium savings book</p> <p>With the premium savings book, I commit myself to paying money into my savings book regularly over a longer term. I cannot withdraw money during this period. In addition to the interest, I receive an interest bonus from the bank.</p>

<p>Savings box / piggy bank</p> <p>eats money and gives it (if persuaded 😊)</p>	<p>Daily money / savings account</p> <p>is the digital form of the savings book</p>
<p>Checking account</p> <p>is used for daily payment transactions. In- come and expenses are processed via it. You rarely get interest. Fees usually apply.</p>	<p>Fund savings</p> <p>With fund savings, I pay a fixed monthly amount to an intermediary (e.g. bank). He then uses the money to buy shares in the agreed funds.</p>
<p>Fixed-term deposit</p> <p>Fixed-term deposit is a larger amount that is invested once at a bank for a specific pe- riod of time. The longer the term, the higher the interest rates.</p>	<p>Real estate</p> <p>By buying a house or an apartment, one hopes for a price increase in the long term. You may also receive rental income. At the same time, there are also costs (e.g. maintenance). The return therefore de- pends on several factors.</p>
<p>Equity funds</p> <p>collect money from investors and use it to buy shares in a wide range of companies. This results in better risk diversification. Eq- uity funds are traded on the stock ex- change.</p>	<p>ETFs</p> <p>are exchange-traded index funds. It repli- cates the performance of a specific index (e.g. DAX). It can be compared to an equity fund. The difference is usually the much cheaper costs.</p>
<p>Gold/Silver</p> <p>are commodities (metals) with a monetary value. This monetary value is subject to change. It depends on supply and demand - but also on the US dollar exchange rate.</p>	<p>Government bond</p> <p>is a bond issued by a state. The better the credit rating of the state, the lower the in- terest. There are even government bonds where I get back less than I paid (negative interest).</p>

4. Insurance and insurance claims

Setting	Pairs and in a plenary session
Goal	Exchange information about insurance Getting to know different types of insurance
Material	Supplement "Insurance" – 1st round Supplement "Insurance claims" – 2nd round Pens Flipchart
Duration	40 minutes
Further information	The collection on the flipchart gives you a first impression which insurance companies are already known.

The participants form groups of 2. Each group is given a questionnaire annex "Insurance".

After 10 minutes, the participants return to the plenum.

The results are discussed. The individual types of insurance are collected and discussed on a flipchart.

After that, the participants are again sent in groups of 2.

This time you will receive the annex "Insurance claims". You should try to assign the appropriate insurance to the individual insured events.

After 10 minutes, the participants return to the plenum and the results are compared and discussed.

Annex “Insurance”

What kind of insurance do you have personally?

What are these insurances for?

How much money do you spend on your insurance per month?

Which insurances should you definitely have?

What other insurances do you know? What are these insurances for?

Annex "Insured events"

1. In the event of a storm, part of the roof is covered. The roofer has to come. Which insurance covers the costs?
2. The 4-year-old son shoots the neighbor's glasses off his head with his soccer ball, breaking them. Which insurance covers the costs?
3. My neighbor is suing me in court for allegedly parking my motorcycle on his property all the time. I need a lawyer now. Which insurance covers the costs?
4. There is a long scratch on my new car - apparently parking damage! The repair costs 940 euros! Which insurance covers the costs?
5. I cause an accident with my car, in which another vehicle is badly damaged and its driver is slightly injured. Which insurance covers the costs?
6. My apartment is broken into, and all the rooms are completely devastated. Which insurance covers the costs?

7. The father of a 10-year-old child has died. He had already taken out a certain insurance policy when the child was born, which now provides financial support. Which insurance is that?

8. I have a sports accident while cycling. My knee gets shattered. I will have a surgery. However, a movement restriction of 20% remains. Which insurance company would pay me in such a case?

9. When I'm sick, I prefer to go to a doctor who treats you with alternative medicine (acupuncture, homeopathy...). This creates costs that I have to pay myself. Is there an insurance company that can provide financial support here?

10. My expensive smartphone slipped out of my pocket and fell on the floor - broken display! I'm reporting the damage to my...

11. I've booked a trip to Australia, but I get sick the day before the trip and I can't fly. The travel agency keeps a large part of the amount paid. Is there an insurance company that can provide financial support here?

Private (additional) health insurance, life insurance, fully comprehensive insurance, private liability insurance, buildings insurance, household insurance, universal insurance, travel insurance, mobile phone insurance, private accident insurance, legal protection insurance, vehicle liability insurance

CAUTION! One answer is wrong!

Solution "Insured events"

Case study	Insurance
1	Building insurance
2	Private liability insurance
3	Legal expenses insurance
4	Comprehensive insurance
5	Motor vehicle liability insurance
6	Household insurance
7	Life insurance
8	Private accident insurance
9	Private health (supplementary) insuranceT
10	Mobile phone insurance
11	Travel insurance

There is no universal insurance, even if insurance products are sometimes presented as such that you don't have to worry about anything anymore.